

# Agenda Item 6



## Organizational Structures of Air Navigation Services

# Overview

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- # ICAO's Policies on Charges
- # Chapter 2 of the Manual on Air Navigation Services Economics
- # Circular on Privatization
- # CNS/ATM aspects

# ICAO's Policies in Doc 9082/7

- # Autonomy and privatization [§10-14]
- # Independent mechanism for economic regulation [§15]
- # Performance parameters [§16]
- # Best commercial practices [§17]
- # Joint charges collection [§18]
- # Other factors [§19-20]



# Doc 9161/4 - Chapter 2 - scope

- # General comment
- # Basic organizational characteristics of air navigation services provision
- # Organizational forms at the national level
- # Economic oversight and regulation

# Air Navigation Services

## Basic Characteristics

- # Services extend over whole State - sometimes beyond
- # Normally at least two entities or more involved
- # Five major categories: ATM, CNS, MET, SAR, AIS
- # Important one entity be responsible for including all costs both its own and those of others in cost basis for charges

# Organizational Forms at the National Level

- # Government department
- # Autonomous public sector organization
- # Private sector organization

# Government department

- # Reports to Government
- # Funded by Government
- # Not subject to taxes
- # Provides all types of ANS
- # Responsible for safety regulation
- # Capital expenditure subject to Government's approval

# Autonomous public sector organization

- # Government sets objectives and monitors performance
- # Board of directors report to Government
- # Self-financing, possibly return on capital
- # Commercial accounting standards
- # May be subject to business taxes

# Private sector organization

- # Subject to obligations of States under Chicago Convention
- # Board of directors appointed according to a charter
- # Self-financing and return on capital
- # Access to private capital market
- # Commercial accounting standards
- # Subject to business taxes

# ECONOMIC OVERSIGHT

- # States' responsibilities
- # Need for oversight
- # Possible forms
- # Implementation – dispute resolution

# CNS/ATM systems

## Implementation options:

- a) contract with certified service provider
- b) commission existing multilateral organization to deal with service provider
- c) join a group of States or a new international organization
- d) use a mechanism within ICAO

# GNSS organizational aspects

- # Satellite-based augmentation systems (SBAS–implementation options)
- # Multinational facility or service
- # Civil aviation one of many users

# Discussion

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# How are ANS provided in your State?